(c) RBI has further reported that no request has been received from the State Government in regard to the opening of new co-operative banks in the State.

(d) Does not arise in view of (c) above.

Financial health of LIC

2889. SHRI VAYALAR RAVI :
DR. T. SUBBARAMI REDDY :

Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 897 given in the Rajya Sabha on 29th July, 2003 and state :

(a) whether the Ministry of Finance has asked the Life Insurance Corporation of India to give a status report on its financial health position;

(b) if so, whether the report received by the Ministry has found LIC falling short of capital norms and solvency requirements; and

(c) if so, the other steps Government propose to restore its financial health?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL) : (a) No, Sir.

(b) and (c) Do not arise.

Interest rate on NRI rupee deposit scheme

2890. DR. T. SUBBARAMI REDDY :
DR. A.R. KIDWAI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has put a cap on the interest rate that banks can offer on the popular non-resident Indian rupee deposit scheme;

(b) if so, the reasons therefor;

(c) whether the banks can now offer rates upto 250 basis points above the dollar LIBOR (London Inter Bank Offered Rate) on these deposits;

(d) if so, whether this has been opposed by the NRIs;

(e) if so, what are main arguments given by them; and